

**State of Rhode Island and Providence Plantations**

**Public Utilities Commission**

**Minutes of Open Meeting Held on April 18, 2002**

**Attendees:** Chairman Elia Germani, Commissioner Kate Racine, Commissioner Brenda Gaynor, Steve Frias, Cindy Wilson, Alan Nault and Donna Conway.

**Chairman Germani called the open meeting to order at 3:00 PM in the first-floor hearing room of the Public Utilities Commission. A quorum was present.**

**Minutes of March 14, 2002:** Chairman Germani asked for a motion and Commissioner Racine moved to approve the minutes. The motion was seconded by Commissioner Gaynor and unanimously passed. **Vote 3-0.**

**Competitive Telecommunications Service Providers**

The following companies registered to operate as Competitive Switchless Resellers. The Division has reviewed the registrations and recommends approval of:

262(V16) – Tellis, Inc.

2262(W16) – North By NortheastCom LLC d/b/a Southeastoncom LLC

After review, Chairman Germani asked for a motion and Commissioner Racine moved to approve the registrations. The motion was seconded by Commissioner Gaynor and unanimously passed. **Vote 3-0.**

The following telecommunications service providers submitted tariff revisions. The Division has reviewed the tariff filings and does not recommend suspension of:

2618 – AT&T Communications of New England, Inc.

2472 - Sprint Communications Inc.

After review, the Commission followed the Division's recommendations that the tariff filings be allowed to go into effect without suspension.

**3420 – Verizon Rhode Island:** Verizon submitted a tariff filing to modify RI PUC Tariff No. 22 (Resale Services), Section 10, Customer Service Record Retrieval (CSRR) and Call Usage Detail (CUD) for effect April 21, 2002. Verizon maintains that the proposed tariff filing and related revised cost studies results in a reduction to the CSRR and CUD rates in compliance with the Commission's TELRIC rate Order No. 16793 issued in Dkt. 2681. The Division has reviewed the tariff filing and does not dispute that the current rates are overstated. However, the Division contends that the proposed rates were not developed according to the TELRIC standard, in that the incremental costs were developed by using historic demand factors rather than the forward-looking approach required by TELRIC. The Division utilized a forward-looking incremental cost approach

and recommended further adjustments resulting in a 59% reduction to the proposed CSRR and CUD rates.

Commissioner Racine moved to approve Verizon's proposed tariff on an interim basis in order to provide an interim rate reduction for resellers in accordance with the Commission's TELRIC order issued in November, 2001. Commissioner Gaynor seconded the motion. In discussion, it was pointed out that Verizon would be filing revised cost studies by May 1<sup>st</sup> in the Commission's new TELRIC proceeding, and that the issues raised by the Division can be resolved in that proceeding. **Vote 3-0.**

**2379(Q1) – Energy East Solutions, Inc.:** The company registered to operate as a gas marketer. The Division has reviewed the registration and recommends approval. After review, Chairman Germani asked for a motion and Commissioner Racine moved to approve the registration. The motion was seconded by Commissioner Gaynor and unanimously passed. **Vote 3-0.**

**Narragansett Bay Commission** – In light of testimony by NBC and Division witnesses at hearings earlier this week, Commissioner Gaynor moved to have a member of the Commission's own fiscal staff assigned to attend NBC CSO Program meetings on behalf of the Commission and to report directly to the Commission what is happening with regard to contracts, timing, expenditures, etc., until such time as an independent overseer assumes this function. Commissioner Racine seconded the motion. The Chairman called for a vote on the motion. There was further discussion among the Commissioners in which various opinions on the jurisdiction, need and capability of the Commission to do this were expressed. **Vote 2-0** (the Chairman did not participate).

The Open Meeting adjourned at 3:30 PM.